PATENT

REMARKS

Claims 1 - 58 are pending.

Claims **1 - 24, 35 and 56** have been examined, of which **1, 21, 22, 24, 35 and 56** are independent.

Claims **25 - 34, 36 - 55, 57 and 58** are withdrawn from consideration.

Section 112, paragraph 2 Rejections

Claims **1, 21, 35 and 56** have been rejected as indefinite. We traverse the rejection.

With respect to the assertion on page 2 of the Office Action that the rejected claims **1, 21, 35 and 56** "appear to have at least one step missing from the claim", the basis for this assertion is unclear, and it is unclear whether this basis is separate from the bases in the subsequent paragraph.

However, if this statement is intended to be an assertion that an essential step is missing, we note that the first paragraph of MPEP § 2172.01 states that a rejection for "a claim which omits matter disclosed to be essential to the invention" is to be made under 35 U.S.C. § 112, first paragraph, not second paragraph. Accordingly, an essential elements rejection is a rejection for lack of enablement of the claimed invention, not indefiniteness. First paragraph of MPEP § 2172.01.

Claim 1

On page 2 there is the question "What does Applicant consider to be the specifying the auction behavior in claim 1?" From this question, it is unclear exactly what portion(s) of claim 1 are deemed to render the claim indefinite.

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As best as we can interpret the rejection of claim 1, we respond by directing the Examiner's attention to, e.g., page 8, lines 28 - 30 of the application which clearly explains what is meant by auction behavior which may be specified:

"An auction behavior is a manner in which bids in an auction are placed, for example, the times at which they are placed, the frequency with which they are placed, and the amount by which they exceed any previous bid."

Subsequent paragraphs of the application describe auction behavior and further related concepts.

Accordingly, when read in light of the specification, there is no ambiguity to the language of claim 1.

Claim 21

On page 2 there is the question "What is the means for identifying an auction behavior in claim 21?" From this question, it is unclear exactly what portion(s) of claim 21 are deemed to render the claim indefinite.

As best as we can interpret the rejection of claim 21, this appears to be a request to indicate the structure corresponding to the means-plus-function element of claim 21. The Examiner has not even alleged that any portion of the language of claim 21 is indefinite - the Examiner has merely requested the structure for performing the recited function. Accordingly, there is no *prima facie* showing of indefiniteness of claim 21.

In response to the request for structure that performs the recited function, the present application discloses that the various elements of the auction system of Fig. 1 and/or Fig. 18 may be implemented with a computer system. Page 17, lines 3 -

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4. Further description of corresponding structure may be found at, e.g., page 17, lines 17 - 22; page 4, lines 9 - 12; page 9, lines 28 - 32.

Claim 35

On page 2 there is the question "What is the behavior selector or behavior criteria in claim 35?" From this question, it is unclear exactly what portion(s) of claim 35 are deemed to render the claim indefinite.

As best as we can interpret the rejection of claim 35, this appears to be a request to indicate the structure corresponding to the "behavior selector or behavior criteria" of claim 35. The Examiner has not even alleged that any portion of the language of claim 35 is indefinite - the Examiner has merely requested the structure corresponding to certain elements. Accordingly, there is no *prima facie* showing of indefiniteness of claim 35.

Claim 35 does not include the word "criteria" or any variant of the word "criteria". Thus, there is no "behavior criteria" recited in claim 35.

With respect to the term "behavior selector", page 4, lines 20 - 26 describe the auction behavior selector according to one aspect. Page 9, line 29 et seq. describe auction behavior selector 106. Page 9, lines 23 - 25 describe that the auction behavior selector 106 may be present and operating on one or more computers or other devices acting as a server computer for the auction. A server can include one or more computer programs 222 defining instructions, which when executed, instruct the computer to perform the operations of the auction behavior selector.

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Claim 56

On page 2 there is the question "What is the determined behavior of each of the concluded auctions?" From this question, it is unclear exactly what portion(s) of claim 56 are deemed to render the claim indefinite.

As best as we can interpret the rejection of claim 56, this appears to be a request to indicate what exactly the "behavior" will be as determined according to the method of claim 56. The Examiner has not even alleged that any portion of the language of claim 56 is indefinite. Accordingly, there is no *prima facie* showing of indefiniteness of claim 56.

The behavior is determined in any of various manners described in the present application. The method recited in claim 56 is not limited to a specific behavior.

Section 101 Rejections

The rejection of claims 1 - 20 and 56 relies on an improper legal basis. There is no case, rule or statute that imposes the "two-prong test" suggested by the Examiner.

Nevertheless, in order to expedite prosecution and issuance, independent claims 1 and 56 have been amended such that the recited methods cannot be performed completely "in the mind of the user or by pencil and paper". We will pursue the subject matter of the claims before this amendment in one or more continuing applications.

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Section 103 Rejections

Claims **21 - 24 and 35** are rejected as being unpatentable over <u>Barzilai</u> (U.S. Patent No. 6,012,045). Applicants respectfully traverse the Examiner's Section 103(a) rejection. There has been no *prima facie* showing that the claims are obvious.

Claim 21

Despite the Examiner's assertion, <u>Barzilai</u> does not disclose or suggest any *means for identifying an auction behavior*. For example, the cited portion of <u>Barzilai</u> (col. 2, lines 25 - 54) merely discloses that goods may be displayed and bid upon. The Examiner has not explain how this could in any way constitute *identifying an auction behavior*. For this reason, no *prima facie* case of obviousness of claim **21** has been shown.

Also, the Examiner admits that <u>Barzilai</u> does not disclose that any bids are placed automatically. Nevertheless, the Examiner proposes modifying <u>Barzilai</u> such that bids are automatically placed. The motivation for this modification is "in view of <u>Barzilai</u>'s teaching of auction rules and bidding".

However, this vague and conclusory statement does not indicate any portion of <u>Barzilai</u> which would suggest that the human placement of bids should be changed at all, much less changed in favor of automatic bids. In fact there is no such portion, and accordingly there is no motivation in the prior art of record for the proposed modification. For this reason, no *prima facie* case of obviousness of claim **21** has been shown.

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Claims 22 - 23

Claims **22 - 23** depend from claim **21** and are patentable at least for the same reasons.

In addition, the propose motivation for modifying <u>Barzilai</u> to reject claim **22** is a vague and conclusory statement "in view of <u>Barzilai</u>'s teaching of rules, a password control and a rule display".

However, this vague and conclusory statement does not indicate any portion of <u>Barzilai</u> which would suggest the proposed modifications. In fact there is no such portion, and accordingly there is no motivation in the prior art of record for the proposed modifications. For this reason, no *prima facie* case of obviousness of claim **22** has been shown.

Claim 24

The rejection of claim **24** is flawed in at least the same manner as described above with respect to claim **21**. Accordingly, the rejection claim **24** does not demonstrate a *prima facie* case of obviousness.

Claim 35

The rejection of claim **35** is flawed in proposing that <u>Barzilai</u> discloses anything to do with *auction behavior*. The first cited portion of <u>Barzilai</u> (col. 6, lines 27 - 37) merely discloses that buyers may pay for bid charges with, e.g., a credit card account. The second cited portion of <u>Barzilai</u> (col. 6, lines 39 - 50) merely discloses that winning bids for a product generate a shipping order to a supplier.

Accordingly, the rejection claim **35** does not demonstrate a *prima facie* case of obviousness.

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Conclusion

If there remains any question regarding the present application or any of the cited references, or if the Examiner has any further suggestions for expediting allowance of the present application, the Examiner is cordially requested to contact **Dean Alderucci** at telephone number **203-461-7337** or via electronic mail at **Alderucci@WalkerDigital.com**.

Respectfully submitted,

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